

EXHIBIT G

Date: August 31, 2001
To: ~~Karen Brown, FMI~~ VIA FAX *202/429-4519*
From: Steve Hilton, Albertson's, Inc.
Subject: PETA Letter to Albertsons Inc.

Dear Karen,

Along with this memo, I am faxing to you a letter from PETA to Albertsons Inc. dated August 19, 2001 in which they threaten, "...we will soon turn our attention to grocery store chains. If we are wrong about your intentions, please let us know that you are prepared to meet or exceed the standards set by McDonald's and Burger King, and we will gladly leave Albertson's in peace." This is something we are not willing to ignore, however we are also not willing to open a dialogue with PETA directly. So we would like you to call Sean Gifford, PETA Campaign Coordinator and respond to him on our behalf.

Some things you may share with him are:

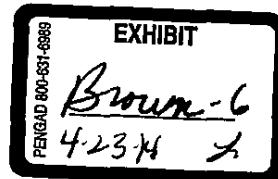
- Even though we have not purchased from Seaboard Farms for a long time, Albertsons Inc. has taken Seaboard Farms, Inc. off our approved vendor list. We will not consider buying from them again until they have been verified by a competent third party to be in compliance with the federal Humane Slaughter Act and other appropriate FMI animal welfare guidelines.
- We believe FMI and other industry associations are making significant progress in bringing together all elements of the food animal production industry (egg, beef, poultry, pork and dairy producers) so the actions can be widely and uniformly applied resulting in the greatest benefit to animals that have been subject to abuse in the past. We are pleased that PETA has established contact with FMI and we encourage that contact to continue.
- Our spokesperson, Jenny Enochson's statement last October that "We are not ready to respond to PETA's letter at this time... It is our goal to respond." has been fulfilled in our participation with FMI and their public statements on behalf of their members, including Albertson's. We will continue to ask FMI to represent us on this important matter. We ask PETA to direct their communication to Albertson's through FMI.

We are also considering making a press release similar to Kroger's expressing our support for the FMI-led industry efforts to agree on animal welfare guidelines.

We would also like to receive an update on when the meeting with the National Council of Chain Restaurants will take place? Who has been contacted and agreed to serve on our advisory group and when will the group meet? Which producer groups have been met with and what were the results of the meetings? What else is required to finalize the guidelines, policies and best practices for the industry?

Cc:
Ertharin Cousin
Jenny Enochson
Kent Killebrew
Cynthia Forsch

DEFENDANTS'
EXHIBIT
CaseNo.2:08-md-2002 DAP
D-0239



FMI-001205

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D-0239-001

RECEIVED AUG 20 2001

August 19, 2001

Mr. Lawrence R. Johnston, CEO
 Albertson's, Inc.
 250 Parkcenter Blvd.
 P.O. Box 20
 Boise, ID 83726-0020

2 pages via fax: 208-395-6225

Dear Mr. Johnston:

When PETA first contacted Albertson's back in October of 2000 and urged the company to meet or exceed McDonald's new animal welfare guidelines, we had hoped that America's second-largest grocery-store chain would take action to reduce the suffering and misery of animals supplied to its stores. The next day, Jenny Enochson, a spokesperson for Albertson's, told the *Idaho Statesman*, "We are not ready to respond to PETA's letter at this time, but we are reviewing our current practices. It is our goal to respond." That was 11 months ago. PETA's subsequent letters and phone calls to Albertson's corporate offices have all gone unreturned.

Since our first letter to Albertson's in October, tremendous change has swept through the fast-food industry without any help from Albertson's. As both McDonald's and Burger King have demonstrated, it is in everyone's best interests to treat animals with basic decency. In late June, Burger King released a set of animal welfare guidelines that prohibit some of the worst acts of animal abuse—for example, skinning and dismembering fully conscious cows during slaughter, starving hens for up to two weeks in order to force them to lay more eggs, and confining hens to cages so small that they cannot all lie down at the same time. Burger King's CEO was quoted in the *New York Times* as saying, "We are the caretakers of God's creation. We have a moral obligation to treat them humanely, and when we do slaughter them, to do so in a painless manner." Currently, Tricon Global Restaurants is also forming an animal welfare panel to address critical animal welfare concerns, and Wendy's has reduced an enormous amount of suffering by implementing an auditing program to improve the slaughter methods of its suppliers.

As one of the main players in the grocery-store business, the moral obligation to treat animals humanely falls squarely on the shoulders of Albertson's, Inc. Yet, to date, PETA has received no indication whatsoever that Albertson's has any intention of reducing the suffering and misery of animals supplied to its stores. We have, however, received a letter sent to one of our members by Kent Killebrew, corporate director of quality assurance. In that letter, Mr. Killebrew states that Albertson's is in full agreement with the policy on animal welfare adopted by the Food Marketing Institute. It is encouraging to learn that Albertson's is aware of the work being done by the FMI, but attempting to deflect all tough questions to an industry trade group does not absolve Albertson's of responsibility for the animal abuse that it accepts from its suppliers. Regardless of the FMI's policies, Albertson's must take on the task of requiring its suppliers to meet or exceed the animal care standards adopted by Burger King and McDonald's. Just last week, PETA sent a letter to the FMI outlining a list of minimum standards that its members should adopt. While PETA remains guardedly optimistic that the FMI will release a satisfactory set of guidelines, I've enclosed a copy of this letter for your review, since the ultimate decision to implement these standards rests with Albertson's, not with the Food Marketing Institute.

While PETA understands that it could take a few months for Albertson's to institute its own standards, there is one extreme situation that needs to be addressed immediately. A recent PETA



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Fax:

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investigation into Seaboard Farms, Inc.—North America's third-largest pork producer and reportedly a supplier to Albertson's—uncovered egregious acts of cruelty and neglect to pigs. During the investigation, farm managers and workers were caught on videotape routinely dragging, throwing, kicking, and beating animals—many to death—with metal gate rods and hammers. Others were left to suffer slow and agonizing deaths as a result of disease and injury, without receiving any veterinary care, despite the fact that management was fully aware of their conditions. It is bad enough that these animals were forced to endure horrible conditions in metal sheds where overcrowding and filth overwhelmed their senses. This additional abuse and neglect at the hands of Seaboard employees only served to worsen their nightmare and prevented them from engaging in the most basic of natural behaviors.

After speaking to one of Seaboard's distributors, we understand that Albertson's has carried Seaboard products in the past and may do so in the future, depending on weekly prices. We ask that you review the enclosed materials regarding the investigation and reevaluate whether Albertson's and its subsidiaries should continue buying from Seaboard.

That said, understand that we are ready and willing to work with Albertson's to develop meaningful reform in its supplier's practices. While PETA is currently targeting Wendy's with an aggressive international campaign (WickedWendys.com), we will soon turn our attention to grocery store chains. If we are wrong about your intentions, please let us know that you are prepared to meet or exceed the standards set by McDonald's and Burger King, and we will gladly leave Albertson's in peace.

We look forward to your reply.

Sincerely,



Sean Gifford
Campaign Coordinator
Ext. 1470

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FMI-001207

D-0239-003

Date: 9-4-01
Called For Pickup:
Time/Who:
10:10 P.Giles

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FMI-001208

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